

## Saving money through cooperative purchasing

During the levy campaign of 2012, I often had taxpayers ask if we are doing everything we can to save money on purchases of supplies and services for the District. The answer is yes - through the use of cooperative purchasing, the District has saved hundreds of thousands of dollars on purchases.

Mad River is a member of the Southwest Ohio Education Purchasing Council which is a purchasing cooperative of 139 school districts. By pooling the purchasing power of 139 member school districts, the EPC is able to aggregate volumes on goods and services such as health insurance, liability property and fleet insurance, utilities, workers compensation insurance, food for school lunches, classroom and office supplies, paper, furniture, school buses, medical supplies and much more.

The EPC is a non-profit organization run by the member school districts. The organization was created in the late 1960s by 13 Montgomery and Greene county school districts who wanted to purchase supplies together. The EPC solicits bids from vendors for items needed by school districts and then makes those bid prices available to member school districts. The public bidding process insures we are getting the lowest possible prices for these items.

As an example of significant savings from recent deals, the EPC just completed a new bid for electricity for 73 area school districts which will reduce these district's electricity cost by \$11.5 million. The new contract is with DP&L Energy, an affiliate of DP&L, who was the lowest bidder. The new contract is expected to save Mad River over \$100,000 per year in electricity costs. We also negotiated a new contract for natural gas last year which has saved the district similarly significant amounts of money.

In this economy we need to save every dime we can, and cooperative purchasing has paid real dividends for the District by reducing our costs. As Treasurer for the school district, I try to get the best prices on everything we buy and purchasing what we can through the EPC is just good business.

Hopefully by the time you read this spring is really here and as always, if you have any questions, please call me at 937-259-6610 or email me at [jerry.ellender@madriverschools.org](mailto:jerry.ellender@madriverschools.org)

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Treasurer/CFO